



Aspen Group Limited
ABN 50 004 160 927

Aspen Property Trust
ARSN 104 807 767

Level 3, Newspaper House
129 St Georges Terrace, Perth
Western Australia, 6000

Telephone: 08 9220 8400
Facsimile: 08 9220 8401

Email: homemail@aspengroup.com.au

ASX ANNOUNCEMENT 23 November 2012

Extension of appointment of Interim Chief Executive Officer, changes to the Board of Directors and completion of the strategic review

Aspen Group ("Aspen": ASX: APZ) is pleased to announce the following:

- The extension of the appointment of Mr Hugh Martin, as Interim Chief Executive Officer of Aspen, effective immediately;
- The intention to appoint Mr Guy Farrands to the Aspen Group Board as a Non-Executive Director, with effect from Monday, 26 November 2012;
- Mr Terry Budge has advised he will not seek re-election to the Aspen Group Board at the Annual General Meeting to be held later today; and
- The completion of the Group's strategic review.

Interim Chief Executive Officer

Mr Martin joined the Board of Aspen in April 2012 and was appointed to the role of Interim CEO in August 2012. The role for Hugh was always intended to be a transitional one, initially up to the date of the 2012 Annual General Meeting.

Chairman of the Board of Directors, Mr Frank Zipfinger, today said "I am delighted to announce that, at the request of the Board, Hugh has agreed to continue as Interim CEO of the Group at least until 30 June 2013, if required by the Board. Hugh has been leading Aspen since August. He was instrumental in successfully executing the \$101.4 million entitlement offer and negotiating a position with key stakeholders to enable the Group to finalise its strategic review. Going forward Hugh has a clear mandate to simplify the business with a focus on maximising value for all Securityholders."

Changes to the Board of Directors

The Board intends to appoint Mr Guy Farrands to the Aspen Group Board with effect from Monday, 26 November 2012.

Mr Zipfinger welcomed Mr Farrands' nomination to the Board saying "Guy will bring a wealth of knowledge and experience to Aspen. Guy's background and skill-set will complement the existing Board members and further strengthen the expertise of the Board as we move into the next phase of our operations, as set out in the strategic review."

The appointment of Mr Farrands continues the renewal of the Board – a process that commenced in April this year and led to the appointments of Mr Hugh Martin and Mr Clive Appleton.

Mr Budge's intention to retire from the Aspen Group Board once a suitable successor was found was foreshadowed in the Notice of Annual General Meeting 2012. Following the nomination of Mr Farrands, Mr Budge has advised that he will not seek re-election at the Annual General Meeting to be held later today and accordingly this resolution will be withdrawn from consideration.

Mr Zipfinger thanked Mr Budge for his commitment and contribution to the Group as a Non-Executive Director since May 2005.

The Board is reviewing the requirement for further appointments.

Finalisation of strategic review

The extension of the appointment of Mr Martin as Interim CEO has enabled Aspen to finalise its strategic review. The over-riding theme of the strategic review was to simplify the business model, with the key conclusions as follows:

- focus on the Group's core strengths being the on balance sheet investment property assets and the management of the Aspen Parks Property Fund;
- de-risk the balance sheet;
- de-risk future earnings;
- significant overhead reduction;
- growth of Aspen Parks Property Fund; and
- use of Core Assets to drive realisation of Securityholder value.

The Group's focus will be on maximising value for all Securityholders. The Group has implemented a divestment program to exit non-core assets and businesses. In addition the Group will utilise core assets to drive realisation of Securityholder value. To assist in this process, the Board has appointed UBS AG, Australia Branch as financial adviser.

Further information will be provided to Securityholders at the Group's Annual General Meeting which will be held later today.

End

For further information please contact:

Frank Zipfinger Chairman, Aspen Group Phone: (+61) 8 9220 8400 Email: frankz@aspengroup.com.au	Hugh Martin Interim Chief Executive Officer Phone: (+61) 8 9220 8400 Email: hughm@aspengroup.com.au
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For media enquiries:

David Tasker Professional Public Relations Phone: (+61) 8 9388 0944 Mobile: (+61) 433 112 936 Email: david.tasker@ppr.com.au

Annexure:

1. **Profile of Mr Hugh Martin and key terms of employment**
2. **Profile of Mr Guy Farrands**

Annexure 1

Biographical Details for Mr Hugh Martin

Mr Martin joined the Board of the Aspen Group as a non-executive Director in April 2012 and from 24 August 2012 he has held the position of Interim Chief Executive Officer.

Mr Martin has enjoyed a successful career at Director and Senior Executive level with over 30 years experience in major institutions in the property industry, internationally and domestically.

He started his career as an accountant in South Africa before relocating to Australia. He holds a Bachelor of Business with a Double Major in Accounting and Finance, is a member of CPA Australia and a member of the Australian Institute of Company Directors.

Mr Martin was formerly an Executive Director of Vivas Lend Lease and until recently was a Non-Executive Director of non-profit organisation Habitat for Humanity Australia (HFHA).

From 1997 to 2001, Mr Martin was Chief Executive Officer of the joint venture between Mirvac and Lend Lease for the development, construction and sale of the Olympic Village, now known as the suburb of Newington in Sydney.

In an extensive career, senior executive roles held by Mr Martin included positions as Finance Director of Baulderstone Hornibrook, Director of Property Investment with the State Authorities Superannuation Board of NSW (now Dexus), Managing Director of Leda Holdings, Chief General Manager of Homebush Bay Development Corporation, General Manager of Special Projects at Westfield Holdings Limited, Head of Apartments for the Lend Lease Group; and National General Manager for the Apartments Development Division at Stockland Corporation.

Key terms of employment for Mr Hugh Martin

Mr Hugh Martin will receive a combination of fixed remuneration and short term incentives in the Interim CEO role.

The Total Fixed Remuneration (TFR) will be \$700,000 per annum, exclusive of statutory superannuation.

Consistent with Aspen's renewed remuneration strategy for FY13, this remuneration is significantly reduced on the previous Managing Director position. Mr Martin will not earn Board or Committee fees for his director positions.

With respect to Short Term Incentive (STI), Mr Martin is eligible for a maximum cash bonus in the range of 60% to 100% of his TFR on a pro-rata basis, subject to meeting strict individual and Company key performance targets. In accordance with company policy 25% of any awarded STI is to be escrowed for a period of 12 months and is available only on completion of further service hurdles and there being no material misstatement of key financial outcomes.

Mr Martin's contract has no fixed period. Termination benefits to the extent permitted under the Corporations Act are included in his contract in the event of certain termination events.

Annexure 2

Biographical Details for Mr Guy Farrands

Mr Farrands has over 30 years experience in direct and listed property markets both in Australia and internationally and across commercial, retail, industrial, residential and retirement asset classes. He was Managing Director and Chief Executive Officer of GEO Property Group (now VillaWorld Group) between 2007 and 2011 and was responsible for its successful workout and restructure.

Previously Mr Farrands was Chief Executive Officer of Valad Property Group between 2005 and 2007, departing prior to Valad's acquisition of Crownstone/Scarborough. Prior to that Mr Farrands was Head of Corporate Development and Investor Relations for Valad.

Mr Farrands former roles included Division Director of the real estate division of Macquarie Bank's Investment Banking Group where he managed IPOs, equity raisings and mergers and acquisitions, Associate Director and joint head of property for Heine Management Limited and Manager in the Investment Sales Department at Jones Lang LaSalle.